GOVERNMENT OF INDIA
COAL AND MINES
LOK SABHA

UNSTARRED QUESTION NO:1412
ANSWERED ON:16.07.2004
LAND PREMIUM TO STATES COAL COMPANIES
Sethi Shri Arjun Charan

Will the Minister of COAL AND MINES be pleased to state:

(a) whether coal companies as per the Coal Bearing Areas (Acquisition and Development) Act, 1957 have to pay compensation (Land Premium) to the States for land acquired under the Act referred above ;

(b) if so, whether the States have demanded for compensations; and (

(c) the reaction thereof ?

Answer

THE MINISTER OF STATE COAL AND MINES (DR. DASARI NARAYANA RAO)

(a). The Government of India decided in 1989 that payment of compensation henceforth be made to the State Government for lands acquired by the coal companies either through direct transfer or under Coal Bearing Areas (Acquisition and Development) Act 1957 provided the land so obtained vests absolutely in the coal company free from all encumbrances.

(b). Yes Sir. Some states have demanded compensation.

(c). In case of Central Coalfields Limited, South Eastern Coalfields Limited and Mahanadi Coalfields Limited, the concerned State Governments had demanded compensation and the same is being paid to them as per Government's decision as mentioned in part (a) above.